

JAN 23 2009

A BILL FOR AN ACT

RELATING TO EDUCATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the board of
2 education, in 2002, approved the superintendent's proposal to
3 establish complex areas, headed by a complex area superintendent
4 and comprised of two or more school complexes. Each school
5 complex consists of a high school and the intermediate or middle
6 and elementary schools that feed into it. The establishment of
7 complex areas allows each administrator to focus on the needs of
8 the supporting schools and school complexes to provide better
9 supervision and support.

10 The legislature believes that the establishment of complex
11 areas provides the opportunity for the more efficient management
12 of funds and personnel among schools and school complexes
13 contained therein. The reallocation of resources within a
14 complex area could also prove highly cost-effective, and provide
15 more autonomy in the management of complex areas that could
16 yield beneficial results for the students, staff, and
17 administrators.



1 The purpose of this Act is to establish a two-year pilot
2 project within a designated complex area, which authorizes the
3 complex area superintendent to reallocate resources within the
4 schools in the complex area to achieve greater efficiency and
5 cost-effectiveness.

6 SECTION 2. (a) The department of education shall
7 establish a two-year pilot project to demonstrate the cost
8 efficiencies and savings of complex-wide allocations of the
9 funds received by the complex area through the weighted student
10 formula. The department shall designate the complex area for
11 participation in the pilot project.

12 (b) The superintendent of the designated complex area
13 shall reallocate resources among the schools within the complex
14 area superintendent's jurisdiction to achieve greater efficiency
15 and cost-effectiveness; provided that any reallocation may only
16 be implemented when operationally efficient, cost-effective, and
17 educationally sound, including the reallocation of moneys and
18 positions for complex level educational officers, teachers,
19 support staff, cafeteria workers, custodial services, classroom
20 cleaners, and minor maintenance and repairs.



1 (c) The designated complex area shall be exempt from any
2 department-wide budget reductions or restrictions instituted
3 during the two years of the pilot project.

4 (d) The department of education shall submit interim
5 reports to the legislature no later than twenty days prior to
6 the convening of the regular sessions of 2010 and 2011 and a
7 final report no later than twenty days prior to the convening of
8 the regular session of 2012. The reports shall include but not
9 be limited to:

10 (1) The complex area's budget and allocations in the
11 school year immediately prior to implementation of the
12 pilot project;

13 (2) Changes to the base year budget and allocations in
14 each of the two years of the pilot project, with
15 detailed financial information on cost savings and
16 efficiencies of scale;

17 (3) Any problems encountered in implementing the pilot
18 project; and

19 (4) Recommendations, including legislation, which may be
20 necessary to replicate the pilot program on a
21 permanent, statewide basis.



1 SECTION 3. This Act shall take effect upon its approval;
2 provided that the pilot project shall be implemented for the
3 2009-2010 and 2010-2011 school years.

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Report Title:

Education; Complex Areas; Pilot Project

Description:

Establishes a two-year pilot project within a designated complex area, which authorizes the complex area superintendent to reallocate resources within the schools in the complex area to achieve greater efficiency and cost-effectiveness; exempts the designated complex area from any department-wide budget reductions or restrictions during the 2-year pilot; requires interim and final reports to the legislature.

